

(Revised) Measure E Oversight Committee
Preliminary Report
April 2013 - December 2013

Historical Background

In November of 2007, the voters of Hollister passed Measure T which raised the city sales tax rate 1% for 5 years. The measure passed with 66.0% of the vote. Due to the national economic downturn that followed soon after, the City of Hollister was faced with a deepening budget crisis that required it to ask for a 5 year extension of the sales tax increase since Measure T was due to expire at the end of March in 2013. The language of Measure E, as it appeared on the November 2012 ballot was:

"Shall an ordinance be approved enacting a one percent (1%) sales tax for the purpose of funding general city service, such as police, fire safety, gang intervention and prevention, recreation programs, and street and parks maintenance...)."

Measure E was presented to voters as a way to maintain essential public safety services, such as police and fire, even though the City Attorney's Impartial Analysis stated the funds could be, "used by the City for any city operation or service." The Austerity Plan, proposed by the City should Measure E not pass, proposed deep cuts in these services. Measure E also contained language that would, **"require annual review and public report on revenues and expenditures by an independent citizens' oversight committee."** Measure E was approved with 57.8% of the vote.

Role of the Citizen's Oversight Committee

The Measure E Oversight Committee first met on October 9, 2013. As of February 1, 2014, the members include:

Mr. Robert E. Marden	Appointed by Mayor Ignacio Velazquez
Ms. Carol Lenoir	Appointed by Council Member Ray Friend
Mr. Rohit Sharma	Appointed by Council Member Robert Scattini
Mr. Doug Emerson	Appointed by Council Member Pauline Valdivia
Mr. Ken Johnson	Appointed by Council Member Victor Gomez
Ms. Kris Nolan	Appointed by the Downtown Hollister Association
Ms. Frankie Gallagher	Appointed by the San Benito County Chamber of Commerce
Mr. Larry Barr	Appointed by the San Benito County Business Council

The committee believes that Measure E was marketed to the citizens of Hollister as the way to avoid deep cuts in critical public safety services, despite the fact that Measure E contains the short phrase "funding general city service." It is with this focus towards an emphasis of adequate funding of public safety, the oversight committee will carry out its function as it relates to Measure E to assure the City of Hollister is properly applying Measure E revenues and expenditures.

Demands on City Services

As stated earlier in this report, Measure E was passed by the voters of Hollister to avoid deep cuts in essential city services such as police and fire. The committee wanted to get a sense of what the level of demands were being placed on the city for these services. Below are the summary statistics available at the time of this report.

Crime Statistics: Reported police activities requiring officer and support staff time and resources.

(Source: City of Hollister, City Data.com, Kidsdata.org) * = Data not available at time of writing this report

Crimes	2007	2008	2009	2010	2011	2012	2013
Homicide	4	2	0	1	5	1	5
Rape	9	10	5	9	10	12	14
Robbery	47	30	46	30	28	26	26
Assault	134	457	445	393	369	352	343
Burglary	300	394	345	421	251	281	185
Larceny (Theft)	459	409	378	374	297	377	313
Auto Theft	124	97	83	88	73	64	72
Domestic Violence	187	219	197	175	119	179	184
Traffic/Parking							
Speeding	*	179	180	129	259	43	76
Moving Violations	*	1625	1127	857	1155	490	921
DUI	*	185	317	176	145	118	156
Accidents	*	267	218	196	241	179	210
Parking Citations	401	399	722	950	1399	1091	*
Activity Grand Total with Parking Citations	*	4273	4063	3799	4351	3213	*
Average Number per Day	*	11.7	11.1	10.4	11.9	8.8	*
Activity Grand Total without Parking Citations	*	3874	3341	2849	2952	2122	2505
Average Number per Day	*	10.6	9.1	7.8	8.1	5.8	6.9
Adult Arrests	*	*	*	*	1012	873	1023
Juvenile Arrests	*	*	*	*	175	153	166
DUI Arrests	*	*	*	*	145	118	156
Total Arrests	*	*	*	*	1332	1144	1345

Police Staffing Levels:

(Source: FBI Uniform Crime Report Data 2007-2012; 2013 population from suburbanstats.com)

Year	City Population	Total Employees	Sworn Officers	Civilians
2013	34,928			
2012	35,766	30	22	8
2011	35,339	32	24	8
2010	35,056	33	25	8
2009	34,833	37	27	10
2008	34,917	34	30	4

2007	35,812	34	28	6
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There are currently 31 budgeted police positions. 3 of these positions are currently vacant.

Fire Statistics: (No detailed statistics were available at the time of this report)

(Source: City of Hollister)

Year	2007	2008	2009	2010	2011	2012
Number of Calls	2072	1973	1921	1856	1868	2007
Average Per Day	5.7	5.4	5.3	5.1	5.1	5.5

Current Fire Department Staffing Level: 23 budgeted. An additional 4 unbudgeted positions exist. 4 budgeted positions exist but are currently vacant).

At first inspection it appears the crime and traffic violation rates have gone down dramatically from 2008-2012 (down 46.8%) despite having a decrease of 6 sworn officers (21.4% reduction) and no significant change in the population of Hollister (down 46 persons). The general crime rate has remained fairly steady with the largest increase in 2008. So, what would account for a steady crime rate despite a significant reduction in the number of sworn patrol officers and poor economic conditions?

The large decrease in the reported traffic offences in 2012 would account for much of the perceived reduction on the demands of officer time. Was this due to less traffic enforcement caused by reduced staffing levels or a change in the driving habits of the public? Was the steady crime rate during one of the worst economic periods in history due to a smaller police force and reporting resulting from decreased staff levels and prioritizing of the types of calls responded to?

According to FBI statistics, the national average of the ratio of law enforcement personnel (sworn and civilian employees) per 1,000 population was 3.4 in 2012. This number can be misleading since it is a national average of staffing levels, not a recommendation for staffing in all cities, and includes data from over 14,000 reporting agencies. These agencies greatly vary in size and scope of their police operations. For example, if Hollister was to use this national average as a guide, then we should have a total police staff of about 122.

Back in 2008, the San Benito Grand Jury published their report on the staffing levels in the Hollister Police Department. The report was done after the passage of Measure T in November of 2007. The number of sworn officers at that time was 29. During their interviews with police staff, it was recommended to the members of the Grand Jury that a city the size of Hollister should have about 55 sworn officers. The national average staffing level of sworn officers per 1,000 population, for a city the size of Hollister, was 1.8. Using this ratio, the Grand Jury report stated Hollister should have had about 64 sworn officers. The Grand Jury recommended that 8 new sworn officers be hired using Measure T funds bringing the total number of sworn officers to 37. Fast forward to 2012 and the number of sworn officers actually decreased from 29 to 22.

Financial Review (Expenditures and Revenues)

The chart below contains the expenditures for the City of Hollister for the past 7 fiscal years and the current fiscal year. The fiscal year is from July 1 - June 30.

(Source: City of Hollister)

Cost Center Code	Department Name	FY 06-07	Percent of City Budget	FY 07-08	Percent of City Budget	FY 08-09	Percent of City Budget	FY 09-10	Percent of City Budget	FY 10-11	Percent of City Budget	FY 11-12	Percent of City Budget	FY 12-13	Percent of City Budget	FY 13-14	Percent of City Budget
1101	Non Department	532,591	3.8%	409,074	2.9%	320,352	2.0%	299,344	1.9%	375,925	2.8%	321,381	2.3%	192,229	1.3%	698,897	8.6%
1105	City Council	79,041	0.6%	92,482	0.7%	108,967	0.7%	277,535	1.8%	121,192	0.9%	79,885	0.6%	144,611	1.0%	66,343	0.8%
1110	City Clerk/Elections	237,500	1.7%	302,277	2.1%	206,717	1.3%	182,397	1.2%	187,236	1.4%	189,346	1.3%	213,700	1.5%	114,849	1.4%
1120	City Manager	175,863	1.2%	182,963	1.3%	193,241	1.2%	231,742	1.5%	223,338	1.7%	220,124	1.6%	241,776	1.7%	197,103	2.4%
1125	RDA General		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	265,131	1.8%	128,793	1.6%
1145	City Attorney	229,538	1.6%	190,967	1.3%	200,373	1.3%	183,510	1.2%	165,346	1.2%	202,075	1.4%	283,048	2.0%	28,188	0.3%
1150	City Treasurer	506	0.0%	287	0.0%	3,357	0.0%	3,868	0.0%	3,129	0.0%	3,859	0.0%	4,271	0.0%	4,901	0.1%
1155	Finance	328,242	2.3%	322,835	2.3%	370,714	2.4%	409,620	2.7%	337,523	2.5%	377,987	2.7%	345,280	2.4%	224,208	2.7%
1157	Information Systems	113,549	0.8%	118,269	0.8%	167,167	1.1%	120,195	0.8%	110,147	0.8%	99,510	0.7%	167,116	1.2%	104,747	1.3%
1160	Human Resources	182,917	1.3%	149,889	1.1%	184,949	1.2%	168,744	1.1%	192,200	1.4%	215,427	1.5%	189,298	1.3%	129,438	1.6%
2025	Animal Control	405,597	2.9%	435,602	3.1%	494,379	3.2%	575,195	3.7%	529,983	3.9%	567,648	4.0%	518,988	3.6%	201,016	2.5%
2205	Fire Department	3,894,499	27.5%	3,937,190	27.7%	4,307,858	27.5%	4,234,820	27.5%	3,847,999	28.5%	3,880,821	27.7%	4,034,301	28.1%	2,328,935	28.5%
2207	Solid waste	122,075	0.9%	156,650	1.1%	179,260	1.1%	301,621	2.0%	233,088	1.7%	297,175	2.1%	181,199	1.3%	47,335	0.6%
2276	Fire Strike Team		0.0%	0	0.0%	22,654	0.1%	18,247	0.1%								
2500	Police Department	4,937,904	34.9%	5,087,132	35.8%	5,548,651	35.5%	5,492,041	35.6%	4,949,830	36.6%	5,288,726	37.7%	5,030,282	35.1%	2,572,564	31.5%
4000	Engineering	433,936	3.1%	472,885	3.3%	555,289	3.6%	577,587	3.7%	311,334	2.3%	384,654	2.7%	421,353	2.9%	249,942	3.1%
4005	Building Division	237,963	1.7%	165,368	1.2%	203,372	1.3%	166,664	1.1%	241,796	1.8%	174,352	1.2%	251,228	1.8%	1,751	0.0%
4010	Planning	291,667	2.1%	365,688	2.6%	508,121	3.2%	398,563	2.6%	271,273	2.0%	276,338	2.0%	355,401	2.5%	283,221	3.5%
4300	Code Enforcement		0.0%	0	0.0%	0	0.0%	16,655	0.1%	29,137	0.2%	29,906	0.2%	43,451	0.3%	28,743	0.4%
5005	Vehicle Maintenance	328,696	2.3%	301,202	2.1%	241,624	1.5%	204,998	1.3%	201,784	1.5%	223,463	1.6%	229,997	1.6%	114,153	1.4%
5010	Street Maintenance	438,633	3.1%	344,283	2.4%	456,154	2.9%	458,122	3.0%	48,619	0.4%	99,812	0.7%	83,042	0.6%	49,974	0.6%
7000	Parks	603,039	4.3%	493,245	3.5%	711,058	4.5%	547,524	3.6%	504,992	3.7%	487,647	3.5%	527,494	3.7%	270,247	3.3%
7020	Veterans' Building	134,687	1.0%	262,416	1.8%	179,314	1.1%	82,984	0.5%	160,996	1.2%	156,696	1.1%	149,179	1.0%	69,830	0.9%
8000	Recreation	428,073	3.0%	409,125	2.9%	477,259	3.1%	460,818	3.0%	459,064	3.4%	450,909	3.2%	464,728	3.2%	248,555	3.0%
	Total Expenditures	14,136,516		14,199,829		15,640,830		15,412,794		13,505,931		14,027,741		14,337,103	YTD Ending 12/31/13	8,163,731	

The data in this table reveals that the Police and Fire Departments have represented an average of 63.7% of the city's annual budget over the past 7 completed fiscal years (range 63.0% to 65.4%) with an average combined cost of \$9,210,293 per year. The next two largest average demands on the annual budgets were Parks (average=3.8%, range 3.5%-4.5%) and Animal Control (average=3.5%, range 2.9%-4.0%).

The chart below lists the Measure T and Measure E revenue levels (rounded to nearest dollar):

(Source: Measure T Oversight Committee Report '10-'11)

Fiscal Year	07-08	08-09	09-10	10-11	11-12	12-13	YTD 13-14
Amount	364,724 (1 quarter)	3,206,058	3,013,540	3,527,761	3,367,472	3,968,959 (Both Measure T and Measure E)	2,042,095 (first 6 months)
Percent of City Budget	*	20.5%	19.6%	26.1%	24.0%	28.0%	

Oversight Committee Recommendations

The committee recommends that the City continue all efforts to improve the business climate in Hollister so that a stable and sustainable revenue stream exists allowing Measure E to sunset while still maintaining needed city services. (Larry Barr)

While we realize the importance of public safety....i.e., police, animal control and fire, the committee would like the City Council to consider funding in the future for recreational opportunities for all walks of life in Hollister. Whether it be partnering with the schools and county for a large facility or small pocket parks for neighborhoods to enjoy, or bolstering our Recreation Department. As well it would be our recommendation for the City Council discuss and set an amount that can be retained in the City's reserve account from Measure E funding. (Carol Lenoir)